

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2312**

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**Introduced by Assembly Members Nestande and Olsen**  
**(Coauthors: Assembly Members ~~Gray and Linder~~ Gray, Linder,**  
***and Patterson*)**

February 21, 2014

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An act to *amend Section 12703.1 of, and to add Section ~~21609 to~~ 21608.7 to*, the Business and Professions Code, and to add Article 6 (commencing with Section 11199.5) to Chapter 2 of Title 1 of Part 4 of the Penal Code, relating to metal theft.

LEGISLATIVE COUNSEL'S DIGEST

AB 2312, as amended, Nestande. Metal theft.

Existing law governs the business of buying, selling, and dealing in secondhand and used machinery and all ferrous and nonferrous scrap metals and alloys, also known as “junk.” Existing law requires junk dealers and recyclers to keep a written record of all sales and purchases made in the course of their business, including the name and address of each person to whom junk is sold or disposed of, and to preserve the written record for at least 2 years after making the final entry of any purchase or sale of junk.

Existing law provides that it is a crime for a dealer in or collector of junk, metals, or secondhand materials, or the agent, employee, or representative of that dealer or collector, who buys or receives any wire, cable, copper, lead, solder, mercury, iron, or brass which he or she knows or reasonably should know is ordinarily used by or ordinarily belongs to a railroad or other transportation, telephone, telegraph, gas, water, or electric light company or county, city, city and county, or

other political subdivision of this state engaged in furnishing public utility service without using due diligence to ascertain that the person selling or delivering the same has a legal right to do so.

*Existing law, until January 1, 2019, requires the Department of Food and Agriculture to require a recycler or junk dealer who is an applicant for a new weighmaster license or a renewal of a weighmaster license to furnish specified additional information on the application.*

This bill would require a junk dealer or recycler to request to receive theft alert notifications regarding the theft of commodity metals in the junk dealer's or recycler's geographic region from the theft alert system maintained by the Institute of Scrap Recycling Industries, Inc. *The bill would require the Department of Food and Agriculture, until January 1, 2019, to require a junk dealer or recycler who is an applicant for a new weighmaster license or a renewal of a weighmaster license to also include a statement on the application indicating that the applicant has requested to receive the theft alert notifications.* The bill would also encourage local law enforcement agencies to report thefts of commodity metals that have occurred within their jurisdiction to that theft alert system, in order to ensure that persons using the system receive timely and thorough information regarding metal thefts.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     *SECTION 1. The Legislature finds and declares all of the*
- 2     *following:*
- 3     *(a) The Institute of Scrap Recycling Industries, Inc. (ISRI)*
- 4     *developed ScrapTheftAlert.com which is a web-based theft alert*
- 5     *system that allows law enforcement to alert recyclers of reported*
- 6     *stolen material and allows recyclers to alert area law enforcement*
- 7     *when they have received materials they believe might have been*
- 8     *stolen.*
- 9     *(b) This alert system broadcasts theft alerts to every registered*
- 10    *user within a 100-mile radius of where the theft occurred and can*
- 11    *expand depending on the circumstances.*
- 12    *(c) ISRI has worked closely with law enforcement and has*
- 13    *integrated their suggestions into the system's latest update to make*
- 14    *its use more user-friendly for law enforcement.*

1 (d) *There is no cost to law enforcement or non-ISRI members*  
2 *to use the system.*

3 (e) *Members of ISRI pay for the entire database through their*  
4 *membership dues.*

5 SEC. 2. *Section 12703.1 of the Business and Professions Code*  
6 *is amended to read:*

7 12703.1. (a) In addition to any other requirements for issuance  
8 of a license pursuant to this chapter, if the applicant is a recycler  
9 or junk dealer as defined in Section 21601, the department shall  
10 require the applicant to furnish all of the following information  
11 accurately on any application for a new license or the renewal of  
12 a license issued pursuant to this chapter:

13 (1) A copy of the applicant's current business license.

14 (2) A statement indicating that the applicant has either filed an  
15 application for a stormwater permit or is not required to obtain a  
16 stormwater permit.

17 (3) A statement indicating that the applicant has the equipment  
18 necessary to comply with the photographic and thumbprinting  
19 requirements for the purchase and sale of nonferrous materials  
20 pursuant to Section 21608.5 or a statement indicating that the  
21 applicant will not be purchasing or selling nonferrous materials  
22 and is not required to comply with Section 21608.5.

23 (4) *A statement indicating that the applicant has requested to*  
24 *receive theft alert notifications pursuant to Section 21608.7.*

25 ~~(4)~~

26 (5) The name or names of any deputy weighmasters.

27 (b) The department shall issue a license to a junk dealer or  
28 recycler upon receipt of an application for a new license or renewal  
29 of a license that contains the information required by subdivision  
30 (a) and that is accompanied by the appropriate fee.

31 (c) (1) On or before December 31, 2014, upon issuance of a  
32 license to a junk dealer or recycler, or renewal of such a license,  
33 the department shall make a thorough investigation of all of the  
34 information contained in the application within 90 days. If the  
35 license is issued or renewed on or after January 1, 2015, the  
36 department shall make a thorough investigation of all the  
37 information contained in the application within 90 days for a new  
38 license, and within one calendar year for a renewal of a license.

39 (2) Notwithstanding Section 12708, if the department determines  
40 that the information submitted pursuant to subdivision (a) is

1 materially inaccurate, the department shall revoke the license issued  
2 to a junk dealer or recycler unless the junk dealer or recycler  
3 complies with the requirements of subdivision (a) within 14 days  
4 of notice from the department of a proposed revocation pursuant  
5 to this subdivision.

6 (3) A junk dealer or recycler whose license has been revoked  
7 pursuant to this subdivision is entitled to a hearing conducted  
8 pursuant to Chapter 5 (commencing with Section 11500) of Part  
9 1 of Division 3 of Title 2 of the Government Code.

10 (d) The secretary may enter into a cooperative agreement with  
11 any county sealer to carry out the provisions of this section.

12 (e) This section shall remain in effect only until January 1, 2019,  
13 and as of that date is repealed, unless a later enacted statute, that  
14 is enacted before January 1, 2019, deletes or extends that date.

15 **SECTION 1.**

16 *SEC. 3.* Section ~~21609~~ 21608.7 is added to the Business and  
17 Professions Code, to read:

18 ~~21609.~~

19 21608.7. A junk dealer or recycler shall request to receive theft  
20 alert notifications regarding the theft of commodity metals,  
21 including, but not limited to, ferrous metal, copper, brass,  
22 aluminum, nickel, stainless steel, and alloys, in the junk dealer's  
23 or recycler's geographic region from the theft alert system  
24 maintained by the Institute of Scrap Recycling Industries, Inc., or  
25 its successor.

26 ~~SEC. 2.~~

27 *SEC. 4.* Article 6 (commencing with Section 11199.5) is added  
28 to Chapter 2 of Title 1 of Part 4 of the Penal Code, to read:

29  
30 Article 6. Reports of Metal Theft

31  
32 11199.5. Local law enforcement agencies are encouraged to  
33 report thefts of commodity metals, including, but not limited to,  
34 ferrous metal, copper, brass, aluminum, nickel, stainless steel, and  
35 alloys, that have occurred within their jurisdiction to the theft alert  
36 system maintained by the Institute of Scrap Recycling Industries,  
37 Inc., or its successor, in order to ensure that persons using that

- 1 system receive timely and thorough information regarding metal
- 2 thefts.

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